Uneconomical International Routes

*265. DR. MOHAN BABU : Will the Minister of CIVIL AVIATION be pleased to state:

(a) the international routes identified by Indian Airlines and Air India as uneconomical; and

(b) the reasons for not allowing private airlines to operate on those uneconomical international routes?

THE MINISTER OF CIVIL AVIATION (SHRI C. M. IBRAHIM): (a) and (b) A statement is laid on the table of the House.

Statement

(a) There is no definite criteria on the basis of which an international route can be classified as uneconomical on a long-term basis, as the viability of air services operations depends on growth in trade, commerce, tourism etc. over a period of time.

(b) Private airlines have been allowed to operate Air Transport Services in the domestic sector only from March, 1994. It is necessary for these airlines to consolidate their operations in the domestic sector and gain sufficient experience, professionalism, technical competence and financial stability as commercial airline before they could be permitted to operate on international sectors.

SHRI MONAH BABU. Mr. Chairman, Sir, the hon. Minister has stated in his reply, "..... the viability of air services operations depends on growth in trade, commerce, tourism, etc. over a period of time". What is the duration of this 'time' that the Minister generally considers?

SHRI C.M. IBRAHIM: Sir, there is no fixed time as such. If they are doing it, it is very good.

SHRI MOHAN BABU: Sir, there are many routes on which Indian Airlines is not operating because those routes are not profitable. The private airlines are ready to operate on those international routes. So, will the Government please examine the representations submitted by private airlines for allowing them to operate in public interest on those international routes that are not being covered by Air India or Indian Airlines?

SHRI C.M. IBRAHIM: Sir, we have not yet evolved any policy so far as allowing the private airlines to operate out side India is concerned. Let them first improve their services in the country. The Government will think about it at the appropriate time.

श्री सुन्दर सिंह भंडारी: सभापति महोदय, जवाब में यह कहा गया है कि कोई डेफिनिट क्राइटेरिया नहीं है जिसके बेसेज़ पर किसी रूट को अनइकोनोमिकल रूट कहा जा सके। मैं समझता हूं कि देश में "ए" "बी" और "सी" केटेगरीज़ के रूट हैं। क्या यह मान कर चला जाए कि "ए" केटेगरी में भी अनइकोनोमिकल रूट है या केवल "सी" केटेगरी अनइकोनोमिकल रुट्स की है और अगर कोई स्पेसेफिक केटेगरी नहीं है तो "सी" केटेगरी पर अगर प्राइवेट कंपनी को चलने दे रहे हैं तो "ए" केटेगरी रूट पर क्यों नहीं चलाया जाए?

श्री सी०एम० इब्राहीम: मान्यवर, जहां तक क्राइटेरिया का सवाल है, हमने "ए" "बी" और "सी" तीन केटेगरीज में डिवाइड किया है।

उसमें जो जायेंगे अगर परसेंटेज उनका 65-70 हो सकता है तो वह डोमोस्टिक सैक्टर में है। ये तीनों ए,बी,सी, डोमोस्टिक सैक्टर में हैं। इंटरनेशनल सैक्टर में नहीं है।

श्री सुन्दर सिंह भंडारी: लेकिन डोमेस्टिक सैक्टर में होने के बावजूद ये अनइकोनोमिकल रूट्स तीनों प्रकार में हैं या केवल एक प्रकार में है और वह "सी" प्रकार है जिसमें कि अनइकोनोमिकल रूट्स है और "सी" में अगर आप प्राइवेट कंपनीज़ को एलाउ कर रहे हैं तो "बी" और "सी" में उसके बारे में क्या विचार है?

श्री सी०एम० इब्राहीम: ऐसे तो ये रूट भी इकोनोमिकल हैं और अगर पैसेंजर्स फुल न होंगे तो अनइकोनोमिकल हो जाएगा। जब सीट्स अगर खाली जायेंगी तो यह अनइकोनोमिकल होगा और अगर हर रोज़ भरकर जायेंगी तो इकोनोमिकल होगा।

SHRI JOHN. F. FERNANDES: Mr. Chairman, Sir, part (a) of the reply of the Minister is bureaucratic reply because

Air India is run by bureaucrates. It is a fact that Air India is making losses for the last two years. It has last nine hundred crores of rupees and the Minister should have mentioned here some long-term basis schemes. What does he mean by long-term basis? I want to know whether it will be on ten-vearly basi or on yearly basis. Sir, it is a fact that Air India cannot compete with mega international airlines and the Minister is not ready to take any steps to vitalise Air India. Indian Airlines is making profit and Air India is suffering heavy losses for the last two years. It is a fact. I want to know whether the Minister would see and reply to Parliament as to which are the loss-making routes plied by Air India because we cannot compete with mega international airlines.

SHRI C.M. IBRAHIM: Sir, the hon. Member knows very well that the system of Government is such that Ministers and bureaucrates are part of this system. As a Minister, I have to take service from them only. I cannot change it. This is the system which all of us have accepted universally. But, as far as taking steps to improve the working of Air India is concerned, Sir, here I would like to say that earlier Indian Airlines was also under losses. Now, I hope, from the next March onwardes, we will have 'zero-loss', and later on, we will have profits. As far as Air India is concerned from time to time, we have taken so many steps to improve its working. Earlier people used to complain about sudden cancellation of Air India flights at the airport. Now, as far as adhering to time schedule is concerned, I am happy to tell the House that we have achieved 95 per cent success in it.

Secondly, Sir, we have some uneconomical routes just to feel the global presence of our country there. We are incurring losses in operating flights in these areas, So, we have to look into that. We are operating flights there for the purpose of making our global presence felt. If today I feel that it is uneconomical, I will stop it, but if I want to re-start it, then it will take a long time. So, the whole thing is under consideration of the Ministry. Shortly, we will take an appropriate decision, in this regard.

SHRI JOHN. F. FERNANDES: Sir, we are not against bureaucrates. Why is he not getting professionals to run Air India?

डा० वाई० लक्ष्मी प्रसाद: सभापति महोदय, हम अन्तर्राष्ट्रीय मार्गों में प्राइवेट एअरलाइन्स सर्विस की बात करते हैं। तेलुगु में एक कहावत है—"उट्टि कि एगरलेनम्मा स्वर्गानि केगुरुतुंदर्" जो सीके तक उड़ नहीं सकती वह स्वर्ग तक कैसे उड़ती है? अंतर्देशीय सैक्टरों पर भी यह प्राइवेट एअरलाइन्स की अनुमति हम तीन साल पहले दे चुके हैं। परन्तु ईस्टवेस्ट एयरलाइन्स ग्राउंड हो गई है, एन०ई०पी०सी० ग्राउंड हो गई है और इसके कारण इंडियन एअरलाइन्स सर्विस को भी बंद कर दिया गया है। स्थिति यह हो रही है कि "धोबी का कुत्ता, न घर का न घाट का" हो गया है। इसलिए मैं आपके माध्यम से मंत्री महोदय से जानना चाहता हूं कि तीन साल हो गए हैं इसलिए प्राइवेट एअरलाइन्स के कार्यक्रम को रेव्यू करें।

MR. CHAIRMAN: Mr. Minister, fortunately, the Question Hour is over. ...(*Interruptions*)...

WRITTEN ANSWERS TO STARRED QUESTIONS

MNCs in insurance business

*263. SHRI V. RAJESHWAR RAO:
SHRI S. MUTHU MANI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have allowed four multinational companies to establish their offices in India to carry out the insurance business;

(b) if so, the details thereof;

(c) whether it is also a fact the certain multinational companies have already entered into Memorandum of Understanding with the Indian companies to start insurance business in India; and